## **REMARKS/ARGUMENTS**

Favorable reconsideration of this application as presently amended and in light of the following discussion is respectfully requested.

Claims 1-13, 15, 16, 18-35 are pending in this case. Claims 1, 7, 12, 13, and 25 are amended by the present amendment and add no new matter. For example, amended Claims 1, 7, 12, 13, and 25 are supported by the specification at page 8, line 15 to page 10, line 26.

In the outstanding Office Action, Claims 1-13, 15, 16, and 18-35 were rejected under .

35 U.S.C. §102(b) as anticipated by Stefik et al. (U.S. Patent No. 5,634,012, hereinafter "Stefik").

Applicants and Applicants' representatives thank Examiners Kelley and Van Handel for the courtesy of the interview granted to Applicants' representatives on January 17, 2007. During the interview, differences between the claims and Stefik were discussed. Examiners Kelley and Van Handel agreed that a proposed amendment to Claim 1 appeared to overcome the rejection of record. This proposed amendment to Claim 1 is presented herewith. Corresponding amendments to independent Claims 7, 12, 13, and 25 are also included herewith.

With regard to the rejection of Claim 1 under 35 U.S.C. §102(b) as anticipated by Stefik, that rejection is respectfully traversed.

Independent Claim 1 recites a system for electronic media distribution comprising, inter alia:

means for associating, with each metadata item relating to an electronically distributed media item, a reception indicator indicative of the number of users receiving that media item, the reception indicator incremented by one for each user who receives each media item, the reception indicator not being decremented, and the reception indicator not having a limit.

Stefik describes works which comprise multiple media items that are bundled together consecutively to form a digital work. For example, as shown in Figure 5 of Stefik, the digital work could comprise Story A, an advert, then Stories B and C. Another example is shown in Figure 6 of Stefik which shows a digital work made up of text, photo, graphics, and sidebar media items. The digital work also includes descriptor blocks that are permanently attached to the digital work. The digital work itself is referred to as a "contents" file and the descriptor blocks that relate specifically to those contents are stored in a single "description tree" file. Although the "contents" file and its corresponding "description tree" file can be stored separately on different media, it is clear that the description file is inseparable from the actual digital work (comprising a plurality of media items). This can be seen from the description at column 6, line 51 of Stefik, which states that the description file is "permanently attached" to the work, and column 11, lines 31 and 32 of Stefik, which states that "usage rights are treated as part of the digital work". Here, usage rights are contained within the description file.

Stefik further describes that the description blocks may include a "copies-in-use" counter. The copies-in-use counter simply limits the number of copies of that work that may be used at one time. Thus, the copies-in-use counter will be decremented each time a user stops using the work. Accordingly, the apparatus of Stefik utilizing a copies-in-use counter is not "means for associating, with each metadata item relating to an electronically distributed media item, a reception indicator indicative of the number of users receiving that media item, the reception indicator incremented by one for each user who receives each media item, the reception indicator not being decremented, and the reception indicator not having a limit" as defined in amended Claim 1.

<sup>&</sup>lt;sup>1</sup>See Stefik, column 6, line 51 and column 9, lines 50-54.

<sup>&</sup>lt;sup>2</sup>See Stefik, column 9, lines 21-33.

<sup>&</sup>lt;sup>3</sup>See Stefik, column 14, lines 28-39.

<sup>&</sup>lt;sup>4</sup>See Stefik, column 10, lines 50-53.

Stefik also describes the use of a copy count, which is an upper limit on the number of copies that may be made of the work. The copy count is *decremented* each time the work is used, and when the copy count reaches zero, the work may no longer be used. Thus, the apparatus of Stefik utilizing a copy count is not "means for associating, with each metadata item relating to an electronically distributed media item, a reception indicator indicative of the number of users receiving that media item, the reception indicator incremented by one for each user who receives each media item, the reception indicator not being decremented, and the reception indicator not having a limit" as defined in amended Claim 1 either.

Consequently, as <u>Stefik</u> does not teach "means for analyzing" as defined in amended Claim 1, it is respectfully submitted that Claim 1 (and Claims 2-6 and 20-24 dependent therefrom) is not anticipated by <u>Stefik</u> and is patentable thereover.

Amended Claim 7 recites in part:

means for analyzing the media items actually distributed to end users to determine the content of the media items and generating payment information indicative of a required payment to the holder of rights defined by the copyright and/or ownership metadata based on a determination by the means for analyzing, the means for analyzing incrementing a reception indicator by one for each user who receives each media item, the means for analyzing not decrementing the reception indicator, and the means for analyzing not limiting the reception indicator.

As noted above, <u>Stefik</u> only describes the use of a copies-in-use counter and a copy count, neither of which is "a reception indicator" as defined by amended Claim 7.

Accordingly, <u>Stefik</u> cannot teach "means for analyzing" as defined in amended Claim 7.

Consequently, Claim 7 (and Claims 8-11 dependent therefrom) is patentable over <u>Stefik</u>.

Amended Claim 12 recites in part:

associating, with each metadata item relating to an electronically distributed media item, a reception indicator indicative of the number of users receiving that media item, *the* 

<sup>&</sup>lt;sup>5</sup>See Stefik, column 22, lines 8-17.

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reception indicator incremented by one for each user who receives each media item, the reception indicator not being decremented, and the reception indicator not having a limit.

As noted above, <u>Stefik</u> only describes the use of a copies-in-use counter and a copy count, neither of which is "a reception indicator" as defined by amended Claim 12.

Accordingly, <u>Stefik</u> cannot teach "associating ... a reception indicator" as defined in amended Claim 12. Consequently, Claim 12 (and Claims 15, 16, and 19 dependent therefrom) is patentable over <u>Stefik</u>.

Amended Claim 13 recites in part:

analyzing the media items actually distributed to end users to determine the content of the media items, the analyzing including incrementing a reception indicator by one for each user who receives each media item, the reception indicator not being decremented, and the reception indicator not having a limit.

As noted above, <u>Stefik</u> only describes the use of a copies-in-use counter and a copy count, neither of which is "a reception indicator" as defined by amended Claim 13.

Accordingly, <u>Stefik</u> cannot teach "analyzing" as defined in amended Claim 13.

Consequently, Claim 13 (and Claim 18 dependent therefrom) is patentable over <u>Stefik</u>.

Amended Claim 25 recites in part:

an association unit configured to associate a reception indicator indicative of the number of users receiving that media item with each metadata item of the corresponding media item, the reception indicator incremented by one for each user who receives each media item, the reception indicator not being decremented, and the reception indicator not having a limit.

As noted above, <u>Stefik</u> only describes the use of a copies-in-use counter and a copy count, neither of which is "a reception indicator" as defined by amended Claim 25.

Accordingly, <u>Stefik</u> cannot teach "an association unit" as defined in amended Claim 25.

Consequently, Claim 25 (and Claims 26-35 dependent therefrom) is patentable over <u>Stefik</u>.

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Accordingly, the pending claims are believed to be in condition for formal allowance.

An early and favorable action to that effect is respectfully requested.

Respectfully submitted,

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